



THE CITY OF SAN DIEGO MANAGER'S REPORT

DATE ISSUED: July 12, 2000 REPORT NO. 00-137

ATTENTION: Honorable Mayor and City Council
Docket of July 18, 2000

SUBJECT: Memorandum of Understanding with the City of Imperial Beach and the
San Diego Unified Port District regarding Pond 20

SUMMARY

Issue - Should the City Council authorize the City Manager to execute a Memorandum of Understanding with the City of Imperial Beach and the San Diego Unified Port District to study the possible inclusion of Pond 20 into the proposed Imperial Beach Redevelopment Plan expansion area?

Manager's Recommendation - Authorize the City Manager to execute the Memorandum of Understanding.

Other Recommendations - On June 7 the City's Land Use and Housing Committee voted unanimously to recommend the Council approve the MOU. On December 30, 1999, the Environmental Health Coalition, San Diego Audubon Society, San Diego Baykeeper, San Diego Chapter of Surfrider, Southwest Wetland Interpretive Association, Paradise Creek Education Park and the Nature Festivals of San Diego County all signed a letter addressed to the City Manager of Imperial Beach supporting the evaluation of the Pond 20 area for appropriate development.

Fiscal Impact - None at this time. The City of Imperial Beach and the San Diego Unified Port District will be covering the costs associated with this MOU.

BACKGROUND

The City of Imperial Beach has requested that the City of San Diego and the San Diego Unified Port District consider including the old Pond 20 site within the proposed expansion of the

Imperial Beach Redevelopment Project Area. Pond 20 is a parcel of land of approximately 115 acres at the extreme south end of San Diego Bay located within the City of San Diego adjacent to the City of Imperial Beach. The parcel is owned by the San Diego Unified Port District and is the former location of salt mining operations of Western Salt Company. A portion of the site is immediately adjacent to Palm Avenue, a commercial strip that crosses both the City of San Diego and the City of Imperial Beach.

The City of San Diego's community plan for the Otay Mesa-Nestor community (adopted May of 1997) discusses the salt ponds in general. The plan acknowledges the importance of the salt mining operations to the area's economy and management of the important wildlife/environmental opportunities this area offers and recommends that any future development of this area should ensure these continued uses and preservation of these resources.

DISCUSSION

The proposed Memorandum of Understanding (MOU) with the City of Imperial Beach and the San Diego Unified Port District provides for those jurisdictions, at their sole expense, to investigate the feasibility of developing the Pond 20 site as well as to determine its highest and best use. Imperial Beach would be the lead agency in the redevelopment plan study, however, no consideration of de-annexation/annexation of the Pond 20 area is under consideration and is specifically identified as not being under discussion in the MOU.

At the Land Use and Housing Committee the question was asked if the City of San Diego has land use control/jurisdiction over the Pond 20 area. Staff indicated that we had land use control, however, that answer needs to be clarified. The question of land use jurisdiction over Port lands is not a simple yes or no answer. The Port's authority to have exclusive land management control is derived from State Law, subject to oversight by the State Lands Commission. Neither the City, nor the Port District, is proposing any change in State Law for this MOU. If the Port proposes to develop the property consistent with Tidelands Trust restrictions, then the City would have no jurisdictional control over redevelopment of the site. If, however, the Port District were to propose a type of reuse not consistent with uses or under circumstances where the State has not vested exclusive land management authority with the Port, then redevelopment of the site may need to be structured accordingly. In that case, the Port may decide to propose to sell the property to a private developer or other public agency and the City of San Diego under that circumstance may have some permit issuing authority and jurisdictional control over redevelopment of the site. Again, the MOU does not change or propose to seek a change to current State Law and processes regarding the development of Port Tidelands property.

The Port District as owner of the site would be responsible for any environmental remediation of hazardous materials and would be the lead agency for environmental studies and review. The Port District would be responsible for the expense of preparing the studies and remediation actions that may result from such studies.

The Port District, Imperial Beach and San Diego would explore relevant potential revenue sharing opportunities from any future redevelopment activities resulting from inclusion of Pond 20 in the preliminary redevelopment study area.

The MOU would be effective for a period of five (5) years from the date of execution.

ALTERNATIVE

Do not authorize the execution of the MOU. The Pond 20 site would remain in its present condition.

Respectfully submitted,

Hank Cunningham
Director, Economic Development and
Community Services

Approved: George Loveland
Assistant City Manager

CUNNINGHAM/HOOKS/PKH

Attachments: 1. Memorandum of Understanding
2. Location Maps
3. Letter to Barry Johnson, City Manager, Imperial Beach, dated Dec. 30, 1999
4. Letter from Barry Johnson, City Manager, Imperial Beach, dated Dec. 21, 2000
5. Letter from Barry Johnson, City Manager, Imperial Beach, dated July 20, 1999

pond20

Note: The attachments are not available in electronic format. Copies are available for review in the Office of the City Clerk.